

## 1 HOUSE JOINT RESOLUTION NO. 2

2 INTRODUCED BY WAITSCHIES, LAKE

3 BY REQUEST OF THE REVENUE AND TRANSPORTATION INTERIM COMMITTEE

4

5 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING AN OFFICIAL  
6 ESTIMATE OF THE STATE'S ANTICIPATED GENERAL FUND REVENUE FOR EACH YEAR OF THE 2006-07 BIENNIUM FOR THE PURPOSE OF  
7 ACHIEVING A BALANCED BUDGET AS MANDATED BY ARTICLE VIII, SECTION 9, OF THE MONTANA CONSTITUTION; ACCEPTING A  
8 ~~PRELIMINARY~~ JUNE 30, 2004, UNRESERVED GENERAL FUND BALANCE THAT WAS ESTABLISHED BASED ON GENERALLY ACCEPTED  
9 ACCOUNTING PRINCIPLES; ESTABLISHING OFFICIAL ESTIMATES OF CERTAIN NONGENERAL FUND REVENUE; AND REQUESTING THAT THE  
10 GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING USE THE REVENUE ESTIMATES CONTAINED IN THIS RESOLUTION AS  
11 OFFICIAL REVENUE ESTIMATES FOR FISCAL YEARS 2005, 2006, AND 2007.

12

13 WHEREAS, Article VI, section 9, of the Montana Constitution requires the Governor to submit to the Legislature a budget for the ensuing fiscal  
14 period, containing in detail for all operating funds the proposed expenditures and estimated revenue of the state; and

15 WHEREAS, Article VIII, section 9, of the Montana Constitution prohibits the Legislature from appropriating funds in excess of the anticipated  
16 revenue of the state; and

17 WHEREAS, section 5-5-227(2), MCA, requires the Revenue and Transportation Interim Committee to estimate the amount of revenue projected  
18 to be available for legislative appropriation and to introduce a resolution setting forth the Committee's current revenue estimate for the biennium; and

19 WHEREAS, section 5-5-227(3), MCA, expresses the Legislature's intent that its revenue estimates and the underlying assumptions used to derive  
20 those estimates be used by all agencies in the development of fiscal notes; and

21 WHEREAS, section 5-12-302(6), MCA, requires the Legislative Fiscal Analyst to assist the Revenue and Transportation Interim Committee in

1 its revenue estimating duties; and

2 WHEREAS, to assist in its revenue estimating responsibilities, the Revenue and Transportation Interim Committee requested the assistance of  
3 the Legislative Fiscal Analyst, as allowed in section 5-5-227(4), MCA, to provide information on taxes and revenue sources; and

4 WHEREAS, the Revenue and Transportation Interim Committee obtains the assistance of Executive Branch agencies in the development of the  
5 revenue estimates; and

6 WHEREAS, the Revenue and Transportation Interim Committee has adopted revenue estimates and the underlying assumptions used to derive  
7 those estimates for the general fund and for specific nongeneral fund sources that are significant in the development of the state budget for the 2007  
8 biennium; and

9 WHEREAS, the amount of estimated revenue and the general fund balance affects policy decisions of the Executive Branch and the Legislative  
10 Branch; and

11 WHEREAS, the revenue estimates and the underlying assumptions contained in this resolution provide the basis for a comprehensive analysis  
12 of the state's revenue condition.

13

14 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

15 That the state general fund revenue for fiscal years 2005, 2006, and 2007 be estimated to be ~~\$1,384,639,000~~ \$1,396,528,000 \$1,411,952,000,  
16 ~~\$1,429,143,000~~ \$1,425,745,000 \$1,429,768,000, and ~~\$1,469,173,000~~ \$1,467,194,000 \$1,475,348,000, respectively.

17 BE IT FURTHER RESOLVED, that the Legislature accept for budget purposes the ~~preliminary~~ unreserved fiscal year 2004 fund balance of  
18 ~~\$135,254,000~~ \$132,873,000 for the general fund, prepared according to generally accepted accounting principles.

19 BE IT FURTHER RESOLVED, that the Governor's Office of Budget and Program Planning use the revenue estimates and the underlying  
20 assumptions contained in this resolution as the official revenue estimates for fiscal years 2005, 2006, and 2007.

21

#### GENERAL FUND REVENUE

The projections for total general fund revenue for fiscal years 2005, 2006, and 2007 are based on the assumption of a continuation of Montana law as it existed on January 1, 2005. The revenue estimates contained in the following tables are based on the assumptions listed in the tables that follow the general fund estimates and the assumptions for each general fund revenue source contained in the "Legislative Budget Analysis, 2007 Biennium, Volume 2 -- Revenue Estimates" (Revenue Estimates as adopted by the Revenue and Transportation Interim Committee) prepared by the Legislative Fiscal Division.

Current Law  
General Fund Revenue Estimates  
(In Millions of Dollars)

Adjusted

	Actual	Estimated	Estimated	Estimated
	FY 2004	FY 2005	FY 2006	FY 2007
Source of Revenue				
Individual Income Tax	\$605.348	<del>\$588.638</del>	\$605.029	\$629.840
		<u>\$604.062</u>		
		<u>\$619.486</u>		
Statewide and Vo-Tech Property Taxes	169.531	170.051	175.823	182.663
Vehicle Tax	83.607	80.360	80.140	82.050
Corporation Income Tax	67.723	66.332	80.621	77.927
Insurance Tax and License Fees	56.533	59.272	62.163	65.220
Video Gambling Tax	50.749	52.932	55.304	57.782
All Other Revenue	30.242	28.304	24.734	24.923
Permanent Coal Trust Interest Earnings	34.907	<del>35.999</del>	<del>36.790</del>	<del>37.244</del>

1			<u>33.892</u>	<u>33.563</u>	<u>33.899</u>
2	Motor Vehicle Fee	30.724	31.730	36.770	37.819
3	U.S. Mineral Royalty	28.736	35.837	<del>34.660</del>	<del>35.334</del>
4				<u>35.616</u>	<u>37.283</u>
5	Telecommunications Excise Tax	20.890	21.307	21.700	22.101
6	Tobacco Settlement	2.934	2.871	2.319	2.309
7	Public Institution Reimbursements	18.110	16.032	14.900	14.900
8	3% Accommodations Sales Tax	9.279	10.113	10.715	11.419
9	Estate Tax	11.431	3.701	1.950	0.939
10	Oil and Natural Gas Production Tax	41.324	58.206	<del>58.498</del>	<del>59.057</del>
11				<u>61.565</u>	<u>65.263</u>
12	Treasury Cash Account Interest	6.393	<del>40.602</del>	<del>13.287</del>	<del>13.015</del>
13			<u>9.174</u>	<u>13.116</u>	<u>14.381</u>
14	Liquor Excise and License Tax	10.718	11.125	11.535	11.959
15	Coal Severance Tax	8.643	9.105	8.659	8.841
16	Cigarette Tax	36.002	34.608	33.193	32.030
17	Lottery Profits	8.116	7.273	7.288	7.953
18	Nursing Facilities Fee	5.916	5.833	5.793	5.757
19	Liquor Profits	6.500	6.608	6.854	7.158
20	Investment License Fee	4.834	4.464	4.598	4.736
21	Electrical Energy Producer's License Tax	4.661	4.295	4.276	4.270

1	Highway Patrol Fines	4.084	4.104	4.125	4.143
2	Metalliferous Mines Tax	3.232	4.483	5.328	5.533
3	Public Contractors Tax	2.120	1.748	3.030	2.872
4	Wholesale Energy Transaction Tax	3.293	3.485	3.520	3.555
5	Beer Tax	2.897	2.933	2.986	3.039
6	Driver's License Fee	3.021	2.997	3.011	3.018
7	Rental Car Sales Tax	2.486	2.593	2.704	2.820
8	Tobacco Tax	3.562	3.677	3.779	3.847
9	Railroad Car Tax	1.568	1.585	1.574	1.562
10	Wine Tax	1.423	1.436	1.487	1.538
11	Total General Fund	\$1,381.565	<del>\$1,384.639</del>	<del>\$1,429.143</del>	<del>\$1,469.173</del>
12			<u>\$1,396.528</u>	<u>\$1,425.745</u>	<u>\$1,467.194</u>
13			<u>\$1,411.952</u>	<u>\$1,429.768</u>	<u>\$1,475.348</u>

14                                      SIGNIFICANT ASSUMPTIONS FOR GENERAL FUND REVENUE ESTIMATES

15	Revenue and Transportation Interim Committee				
16	Year Assumption	2004	2005	2006	2007
17	Individual Income Tax				
18	FY    Income Tax Audit Collections (Millions)	\$29.922	\$25.501	\$26.162	\$27.578
19	CY    Taxpayer Population (Percent Change)	1.00%	2.01%	3.03%	4.08%
20	FY    30% Bonus Depreciation (Percent Change)	(30.00%)	(69.31%)	(500.56%)	(39.19%)
21	Income Indicators				

1	CY	Wage and Salary Income (Percent Change)	5.70%	4.40%	4.50%	4.50%
2	CY	Net Farm Income (Percent Change)	0.00%	0.00%	0.00%	0.00%
3	CY	Interest Income (Percent Change)	1.48%	1.37%	1.03%	4.37%
4	CY	Dividend Income (Percent Change)	11.96%	1.42%	6.39%	6.34%
5	CY	Rent, Royalty, and Partnership				
6		Income (Percent Change)	10.19%	9.10%	7.69%	7.38%
7	CY	Net Business Income (Percent Change)	8.89%	7.02%	5.58%	5.91%
8	CY	Capital Gains and Losses				
9		(Percent Change)	0.00%	1.88%	3.92%	4.98%
10	CY	Supplemental Gains (Percent Change)	0.00%	1.88%	3.92%	4.98%
11	CY	Social Security Income (Percent Change)	4.86%	4.37%	8.01%	6.37%
12	CY	IRA Income (Percent Change)	4.86%	4.37%	8.01%	6.37%
13	CY	Pension Income (Percent Change)	4.86%	4.37%	8.01%	6.37%
14	CY	Other Income (Percent Change)	0.00%	0.00%	0.00%	0.00%
15	CY	Bond Interest (Percent Change)	1.48%	1.37%	1.03%	4.37%
16	CY	Federal Income Tax Refunds				
17		(Percent Change)	4.80%	4.80%	4.80%	4.80%
18	CY	Other Additions to Income				
19		(Percent Change)	1.20%	1.20%	1.20%	1.20%
20	CY	IRA Deduction (Percent Change)	1.48%	1.37%	1.03%	4.37%
21	CY	Reductions to Income (Percent Change)	5.19%	5.12%	5.13%	5.47%

1	CY	Other Reductions to Income	7.00%	7.00%	7.00%	7.00%
2		Deductions From Income				
3	CY	Medical Premiums (Percent Change)	7.16%	7.84%	7.39%	6.10%
4	CY	Medical Deductions (Percent Change)	7.16%	7.84%	7.39%	6.10%
5	CY	Real Estate Tax (Percent Change)	4.17%	4.17%	4.17%	4.17%
6	CY	Prior Year Federal Tax Payments				
7		(Percent Change)	4.11%	4.11%	4.11%	4.11%
8	CY	Motor Vehicle Taxes and Fees				
9		(Percent Change)	3.00%	3.00%	3.00%	3.00%
10	CY	Home Mortgage (Percent Change)	4.29%	5.15%	4.62%	4.52%
11	CY	Contributions (Percent Change)	5.40%	5.40%	5.40%	5.40%
12	CY	Gambling Losses (Percent Change)	0.00%	0.00%	0.00%	0.00%
13	CY	Total Itemized Deductions				
14		(Percent Change)	5.55%	(22.34%)	4.99%	3.56%
15		Credits				
16	CY	Homeowner and Renter Credit (Millions)	\$12.135	\$12.718	\$13.328	\$13.968
17	CY	All Other Credits (Percent Change)	0.57%	4.00%	4.00%	4.00%
18		Other Individual Income Tax Assumptions				
19	CY	Tax Liability (Millions)	\$577.410	\$564.619	\$579.141	\$610.498
20	CY	Current Calendar Year to				
21		Fiscal Year Conversion	52.1%	52.1%	52.1%	52.1%

1	CY	Previous Calendar Year to				
2		Fiscal Year Conversion	47.9%	47.9%	47.9%	47.9%
3	FY	Fiscal Year 2003 Base (Millions)	\$535.831			
4		Property Taxes: Taxable Value and Other Property Tax Indicators				
5		Taxable Value--40-Mill, 55-Mill, and 1.5-Mill Levies				
6	FY	Property Class One (Millions)	\$7.808	\$8.032	\$9.080	\$9.080
7	FY	Property Class Two (Millions)	\$8.800	\$10.428	\$12.719	\$17.058
8	FY	Property Class Three (Millions)	\$140.240	\$139.902	\$139.902	\$139.902
9	FY	Property Class Four (Millions)	\$1,034.656	\$1,076.985	\$1,118.987	\$1,162.627
10	FY	Property Class Five (Millions)	\$32.725	\$34.024	\$34.058	\$34.092
11	FY	Property Class Seven (Millions)	\$0.995	\$0.974	\$0.974	\$0.974
12	FY	Property Class Eight (Millions)	\$118.297	\$117.241	\$121.344	\$125.591
13	FY	Property Class Nine (Millions)	\$212.111	\$219.993	\$219.773	\$219.553
14	FY	Property Class Ten (Millions)	\$6.789	\$6.791	\$6.676	\$6.562
15	FY	Property Class Twelve (Millions)	\$45.630	\$45.074	\$44.173	\$43.289
16	FY	Property Class Thirteen (Millions)	\$125.623	\$120.485	\$118.557	\$116.660
17	FY	Total Taxable Value (Millions)	\$1,703.301	\$1,756.251	\$1,802.672	\$1,856.268
18		Other Property Tax Indicators				
19	FY	Tax Increment Finance Value (Millions)	\$33.562	\$27.767	\$27.767	\$23.430
20	FY	Property Tax Abatement Value (Millions)	\$3.188	\$4.088	\$4.195	\$4.308
21	FY	Taxable Value in 1.5-Mill Vo-Tech Counties				



1	(Millions)	\$596.513	\$608.056	\$624.056	\$646.070
2	Property Tax Nonlevy Revenue				
3	FY 40-Mill Nonlevy Revenue (Millions)	\$4.315	\$0.000	\$0.000	\$0.000
4	FY 40-Mill Adjustments (Millions)	(\$7.063)	(\$5.650)	(\$4.238)	(\$2.825)
5	FY 55-Mill Nonlevy Revenue (Millions)	\$13.316	\$8.315	\$8.241	\$8.543
6	FY 55-Mill Adjustments (Millions)	\$0.000	(\$0.370)	(\$0.370)	(\$0.370)
7	FY 1.5-Mill Nonlevy Revenue (Millions)	\$0.000	\$0.000	0.000	\$0.000
8	FY 1.5-Mill Adjustments (Millions)	\$0.000	\$0.000	\$0.000	\$0.000
9	Vehicle Tax				
10	FY Large Trucks Growth Rate				
11	(Percent Change)	11.20%	2.40%	2.40%	2.40%
12	FY Motor Home Growth Rate (Percent Change)	67.34%	2.40%	2.40%	2.40%
13	FY Light Vehicle Growth Rate				
14	(Percent Change)	34.18%	2.40%	2.40%	2.40%
15	FY Boat and Snowmobile Growth Rate				
16	(Percent Change)	2.63%	2.40%	2.40%	2.40%
17	FY New Light Vehicle Registration				
18	Growth Rate (Percent Change)	34.18%	2.40%	2.40%	2.40%
19	Corporation License Tax				
20	FY U.S. Profits (Billions)	\$933.400	\$1,165.200	\$1,348.500	\$1,383.200
21	FY Penalty and Interest (Millions)	\$4.143	\$0.000	\$0.000	\$0.000

1	FY	Corporate Income Tax Audits (Millions)	\$10.031	\$3.000	\$3.500	\$4.000
2	FY	Depreciation (Millions)	(\$8.721)	(\$1.075)	\$4.303	\$2.616
3	FY	Adjustments (Millions)	(\$13.195)	(\$8.400)	\$0.000	\$0.000
4		Insurance Premiums Tax and License Fees				
5	FY	General Fund Fee Revenue (Millions)	\$0.623	\$0.623	\$0.623	\$0.623
6	FY	Genetics Fee (Millions)	\$0.583	\$0.583	\$0.583	\$0.583
7	FY	Premiums Tax (Millions)	\$56.775	\$59.593	\$62.551	\$65.656
8	FY	Offsets (Millions)	\$1.161	\$1.128	\$1.120	\$1.168
9	FY	Refunds (Millions)	\$0.287	\$0.400	\$0.475	\$0.475
10		Video Gambling Tax				
11	FY	Video Machine Net Income (Millions)	\$332.903	\$352.877	\$368.688	\$385.208
12		<u>PERMANENT COAL TRUST INTEREST EARNINGS</u>				
13	FY	<u>CAPITAL GAINS (MILLIONS)</u>	<u>\$12.315</u>	<u>\$6.400</u>	<u>\$3.000</u>	<u>\$3.000</u>
14		Motor Vehicle Fee--General Fund Allocations				
15	FY	Motor Vehicle Registration Fee				
16		(Millions)	\$22.577	\$22.011	\$22.539	\$23.080
17	FY	Recording of Liens Fee (Millions)	\$0.737	\$0.755	\$0.773	\$0.792
18	FY	Title Fee (Millions)	\$2.660	\$2.724	\$2.790	\$2.857
19	FY	Park Fees	\$0.000	\$0.000	\$2.744	\$2.810
20	FY	Personal License Plate Fee (Millions)	\$1.492	\$1.528	\$1.565	\$1.602
21	FY	New License Plate Fee (Millions)	\$0.910	\$1.331	\$4.935	\$2.447

1	FY	Senior Citizen Transit Fee (Millions)	\$0.394	\$0.404	\$0.413	\$0.423
2	FY	Other Fees (Millions)	\$1.953	\$2.171	\$2.223	\$2.276
3		U.S. Mineral Royalty				
4	CY	Oil Production (Millions of Barrels)	4.026	4.954	5.309	6.045
5	CY	Coal Production (Millions of Tons)	21.699	19.528	20.565	22.789
6	CY	Natural Gas Production (MMCF)	25.100	25.126	24.018	27.129
7	CY	Oil Price (Per Barrel)	\$44.786	\$38.516	<del>\$33.394</del>	<del>\$33.570</del>
8					<u>\$36.734</u>	<u>\$36.929</u>
9	CY	Coal Price (Per Ton)	\$9.448	\$9.134	\$9.285	\$9.240
10	CY	Natural Gas Price (Per MCF)	\$6.929	\$6.468	<del>\$6.365</del>	<del>\$5.213</del>
11					<u>\$7.001</u>	<u>\$5.738</u>
12	CY	Oil Royalty Rate (Percent)	10.96%	10.93%	10.91%	10.93%
13	CY	Coal Royalty Rate (Percent)	12.32%	12.33%	12.34%	12.33%
14	CY	Natural Gas Royalty Rate (Percent)	12.29%	12.30%	12.28%	12.30%
15	CY	Other Royalties (Millions)	\$0.107	\$0.108	\$0.107	\$0.108
16	CY	Rent and Bonus (Millions)	\$6.944	\$6.944	\$6.944	\$6.944
17		Telecommunications Excise Tax				
18	FY	Taxable Gross Receipts (Millions)	\$544.550	\$554.842	\$565.328	\$576.013
19		Tobacco Settlement				
20	FY	Volume Change (Percent Change)	(5.64%)	(5.64%)	(5.64%)	(5.64%)
21	FY	Cumulative Volume Change				

1	(Percent Change)	(27.54%)	(31.62%)	(35.48%)	(39.11%)
2	FY CPI Change (Percent Change)	3.00%	3.00%	3.00%	3.00%
3	FY Cumulative CPI Change (Percent Change)	16.36%	19.85%	23.45%	27.15%
4	FY Operating Income Adjustment (Millions)	\$0.000	\$0.000	\$0.000	\$0.000
5	FY Subsequent Manufacturers' Payment				
6	(Millions)	\$293.807	\$352.138	\$434.712	\$552.748
7	FY Nonparticipating Manufacturers'				
8	Adjustment (Millions)	\$0.000	\$0.000	(\$4.792)	(\$4.768)
9	Public Institution Reimbursements				
10	FY Private Payments (Millions)	\$1.424	\$2.680	\$2.672	\$2.700
11	FY Insurance Payments (Millions)	\$0.311	\$0.412	\$0.420	\$0.429
12	FY Medicaid Payments (Millions)	\$14.337	\$14.159	\$12.999	\$12.929
13	FY Medicare Payments (Millions)	\$2.038	\$1.703	\$1.736	\$1.770
14	FY Debt Service MT Developmental Center				
15	(Millions)	(\$0.869)	(\$1.013)	(\$0.017)	(\$1.015)
16	FY Debt Service MT State Hospital				
17	(Millions)	(\$1.752)	(\$1.909)	(\$1.909)	(\$1.913)
18	FY Adjustments (Millions)	(\$3.180)	\$0.000	\$0.000	\$0.000
19	Estate Tax				
20	FY Annual Change in Tax (Percent Change)	(14.09%)	(67.62%)	(47.32%)	(51.85%)
21	Oil Production Tax				

1	CY	Oil Production (Million Barrels)	22.324	27.472	29.439	33.517
2	CY	Montana Oil Price				
3		(Weighted Price/Barrel)	\$46.00	\$39.56	<del>\$34.30</del>	<del>\$34.48</del>
4					<u>\$37.73</u>	<u>\$37.93</u>
5	CY	Exempt Value of Production (Millions)	\$29.461	\$21.455	\$23.350	\$30.139
6	CY	Effective Tax Rate (Percent)	9.07%	8.45%	9.00%	8.57%
7		Natural Gas Production Tax				
8	CY	Natural Gas Production (MMCF)	89.464	100.744	107.368	116.048
9	CY	Montana Natural Gas Price				
10		(Weighted Price/MCF)	\$5.41	\$5.05	<del>\$4.97</del>	<del>\$4.07</del>
11					<u>\$5.47</u>	<u>\$4.48</u>
12	CY	Exempt Value of Production (Millions)	\$19.884	\$14.230	\$16.941	\$16.790
13	CY	Effective Tax Rate (Percent)	9.42%	9.14%	9.05%	9.01%
14		Treasury Cash Account Interest				
15	FY	TCA Average Balance w/TRANS (Millions)	\$311.478	<del>\$311.478</del>	<del>\$311.478</del>	<del>\$311.478</del>
16				<u>\$351.478</u>	<u>\$351.478</u>	<u>\$351.478</u>
17	FY	TCA Average Yield (Percent)	2.05%	<del>3.40%</del>	<del>4.27%</del>	<del>4.18%</del>
18				<u>2.77%</u>	<u>3.73%</u>	<u>4.09%</u>
19	FY	TRANS Issue Size (Millions)	\$73.400	\$0.000	\$0.000	\$0.000
20		Liquor Excise and License Tax				
21	FY	Tribal Distributions (Millions)	(\$0.216)	(\$0.212)	(\$0.222)	(\$0.232)

1	Coal Severance Tax				
2	CY Severance Tax Coal Production				
3	(Million Tons)	34.165	32.370	31.448	33.563
4	CY Montana Contract Sales Price				
5	(Weighted CSP/Ton)	\$6.759	\$6.617	\$6.656	\$6.650
6	Cigarette Tax				
7	FY Cigarette Packs (Millions)	60.907	50.228	45.239	43.991
8	FY Effective Tax Rate Per Pack (Dollars)	\$0.70	\$1.20	\$1.70	\$1.70
9	FY Tribal Distribution (Millions)	(\$0.396)	(\$0.803)	(\$1.735)	(\$2.234)
10	Lottery Profits				
11	FY Total Lottery Sales (Millions)	\$36.738	\$34.985	\$35.136	\$35.249
12	FY Lottery Interest Earnings (Millions)	\$0.044	\$0.063	\$0.092	\$0.103
13	FY Other Revenue (Millions)	\$0.003	\$0.003	\$0.003	\$0.003
14	FY Lottery Operating Budget (Millions)	\$7.898	\$7.977	\$8.056	\$7.451
15	FY Lottery Prizes and Commissions				
16	(Millions)	\$20.771	\$19.801	\$19.886	\$19.950
17	Nursing Facilities Fee				
18	FY Bed Days (Millions)	2.043	2.015	2.001	1.988
19	Liquor Profits				
20	FY Gross Liquor Sales (Millions)	\$70.828	\$73.444	\$76.161	\$78.979
21	FY Cost of Goods Sold (Millions)	\$39.933	\$41.920	\$43.471	\$45.080

1	FY	Liquor Discounts and Commissions				
2		(Millions)	\$8.165	\$8.467	\$8.781	\$9.106
3	FY	Liquor Operating Costs (Millions)	\$1.300	\$1.302	\$1.349	\$1.348
4	FY	Other Income (Millions)	\$0.010	\$0.009	\$0.009	\$0.009
5		Investment License Fee				
6	FY	License Registration (Percent Change)	(5.99%)	0.00%	0.00%	0.00%
7	FY	Portfolio Growth (Percent Change)	11.46%	3.00%	3.00%	3.00%
8	FY	Expense Growth (Percent Change)	113.05%	0.00%	0.00%	0.00%
9		Electrical Energy Tax				
10	FY	Kilowatt Hours Produced (Millions)	22,310.179	21,473.543	21,377.175	21,345.793
11		Highway Patrol Fines				
12	FY	Highway Patrol Fines (Percent Change)	(0.62%)	0.48%	0.50%	0.45%
13		Metalliferous Mines Tax				
14	CY	Copper Production (Million lb)	71.660	74.044	74.154	74.209
15	CY	Silver Production (Million oz)	1.640	1.426	1.340	1.344
16	CY	Gold Production (Million oz)	0.043	0.158	0.227	0.270
17	CY	Lead Production (Million lb)	9.816	17.786	19.435	19.435
18	CY	Zinc Production (Million lb)	20.154	40.152	50.168	50.168
19	CY	Molybdenum Production (Million lb) Not disclosed, confidential information				
20	CY	Palladium Production (Million oz) Not disclosed, confidential information				
21	CY	Platinum Production (Million oz) Not disclosed, confidential information				

1	CY	Nickel Production (Million lb)	1.420	1.310	1.448	1.517
2	CY	Rhodium Production (Million oz) Not disclosed, confidential information				
3	CY	Sapphire Production (Million oz)	0.000	0.000	0.000	0.000
4	CY	Copper Sulfide Production (Million lb)	0.000	0.000	0.000	0.000
5	CY	Copper Price (Per lb)	\$0.887	\$0.995	\$0.910	\$0.845
6	CY	Silver Price (Per oz)	\$6.174	\$6.330	\$6.390	\$6.390
7	CY	Gold Price (Per oz)	\$399.953	\$411.080	\$421.740	\$437.730
8	CY	Lead Price (Per lb)	\$0.423	\$0.420	\$0.420	\$0.420
9	CY	Zinc Price (Per lb)	\$0.488	\$0.490	\$0.490	\$0.490
10	CY	Molybdenum Price (Per lb) Not disclosed, confidential information				
11	CY	Palladium Price (Per oz) Not disclosed, confidential information				
12	CY	Platinum Price (Per oz) Not disclosed, confidential information				
13	CY	Nickel Price (Per lb)	\$6.295	\$6.300	\$6.300	\$6.300
14	CY	Rhodium Price (Per oz) Not disclosed, confidential information				
15	CY	Sapphire Price (Per oz)	\$0.000	\$0.000	\$0.000	\$0.000
16	CY	Copper Sulfide Price (Per lb)	\$0.000	\$0.000	\$0.000	\$0.000
17	FY	Effective Tax Rate (Percent)	1.69%	1.68%	1.67%	1.67%
18		Public Contractor's Tax				
19	FY	Tax Before Credits (Millions)	\$6.004	\$6.399	\$6.327	\$6.239
20	FY	Credits and Refunds (Millions)	\$3.884	\$4.651	\$3.298	\$3.367
21		Wholesale Energy Tax				



1	FY	Kilowatt Hours (Millions)	23,961.126	23,235.939	23,468.298	23,702.981
2	FY	Credits for Taxes Paid (Million)	\$0.000	\$0.000	\$0.000	\$0.000
3		Beer Tax				
4	FY	Beer Barrels (Million)	0.901	0.911	0.928	0.944
5	FY	Tribal Distribution (Million)	(\$0.059)	(\$0.057)	(\$0.058)	(\$0.060)
6	FY	Effective Tax Rate (Percent)	4.28%	4.28%	4.28%	4.28%
7		Driver's License Fees				
8	FY	Driver's License Fees (Millions)	\$2.291	\$2.301	\$2.313	\$2.320
9	FY	Duplicate License Fees (Millions)	\$0.186	\$0.186	\$0.187	\$0.188
10	FY	Motorcycle Endorsement Fees (Millions)	\$0.014	\$0.014	\$0.015	\$0.015
11	FY	Commercial Vehicle				
12		Endorsement (Millions)	\$0.421	\$0.421	\$0.421	\$0.421
13		Tobacco Tax				
14	FY	Value of Tobacco Products (Millions)	\$4.160	\$3.830	\$3.736	\$3.831
15	FY	Snuff Ounces (Millions)	8.080	7.393	7.255	7.440
16	FY	Tribal Distribution (Millions)	(\$0.064)	(\$0.085)	(\$0.163)	(\$0.223)
17		Railroad Car Tax				
18	CY	Total MT Market Value of Fleets				
19		(Millions)	\$84.020	\$82.645	\$82.840	\$82.840
20	CY	Taxable Value Rate (Percent)	3.88%	3.81%	3.70%	3.60%
21	CY	95% of Industrial and				

1	Commercial Mill Levy	474.429	503.390	513.458	523.727
2	Wine Tax				
3	FY Wine Liters (Million)	7.794	7.858	8.136	8.415
4	FY Tribal Distribution (Million)	(\$0.029)	(\$0.028)	(\$0.029)	(\$0.030)

#### 5 SELECTED NONGENERAL FUND REVENUE

6 The projections for selected nongeneral fund revenue during the 2007 biennium are based on the assumption of a continuation of Montana law  
 7 as it existed on January 1, 2005. The revenue estimates contained in the following table are based on the assumptions listed in the tables that follow the  
 8 nongeneral fund estimates and the assumptions for each nongeneral fund revenue source contained in the "Legislative Budget Analysis, 2007 Biennium,  
 9 Volume 2 -- Revenue Estimates" (Revenue Estimates as adopted by the Revenue and Transportation Interim Committee) prepared by the Legislative  
 10 Fiscal Division.

#### 11 Current Law

#### 12 Selected Nongeneral Fund Revenue Estimates

13 (In Millions of Dollars)

15	Source of Revenue	Actual	Estimated	Estimated	Estimated
16		FY 2004	FY 2005	FY 2006	FY 2007
17	Gasoline Tax	\$129.154	\$129.752	<del>\$127.007</del>	<del>\$124.916</del>
18				<u>\$130.336</u>	<u>\$130.916</u>
19	Diesel Tax	60.750	63.287	65.929	68.681
20	Common School Interest and Income	55.663	<del>60.373</del>	<del>59.307</del>	<del>58.106</del>
21			<u>59.004</u>	<u>56.809</u>	<u>55.568</u>

1				<u>57.286</u>	<u>56.571</u>
2	GVW and Other Fees	27.500	27.896	28.287	28.732
3	Federal Forest Receipts	12.491	12.654	12.795	12.878
4	6-Mill Property Tax	11.012	10.704	10.983	11.278
5	Resource Indemnity Trust Interest	7.380	<del>7.401</del>	<del>7.417</del>	<del>7.420</del>
6			<u>6.898</u>	<u>6.626</u>	<u>6.627</u>
7	Treasure State Endowment Trust Interest	8.349	<del>9.094</del>	<del>9.704</del>	<del>10.230</del>
8			<u>8.337</u>	<u>8.578</u>	<u>9.071</u>
9	Gasoline Storage Tank Tax	3.808	3.825	3.841	3.858
10	Resource Indemnity Trust Tax	1.251	1.229	1.176	1.323
11	Diesel Storage Tank Tax	2.431	2.532	2.638	2.748
12	Parks Trust Interest Earnings	1.140	<del>1.163</del>	<del>1.191</del>	<del>1.217</del>
13			<u>1.080</u>	<u>1.061</u>	<u>1.086</u>
14	Capital Land Grant Interest and Income	2.413	0.820	0.939	0.943
15	Tobacco Trust Interest Earnings	2.670	<del>3.123</del>	<del>3.709</del>	<del>4.230</del>
16			<u>2.841</u>	<u>3.301</u>	<u>3.820</u>
17	Regional Water Trust Interest Earnings	1.201	<del>1.487</del>	<del>1.757</del>	<del>2.007</del>
18			<u>1.348</u>	<u>1.553</u>	<u>1.797</u>
19	Pine Hills Interest and Income	0.394	<del>0.388</del>	<del>0.388</del>	<del>0.389</del>
20			<u>0.373</u>	<u>0.365</u>	<u>0.366</u>
21	Cultural Trust Interest Earnings	0.326	<del>0.338</del>	<del>0.351</del>	<del>0.364</del>

1			<u>0.315</u>	<u>0.315</u>	<u>0.328</u>
2	Deaf and Blind Trust Interest and Income	0.299	<del>0.304</del>	<del>0.305</del>	<del>0.306</del>
3			<u>0.289</u>	<u>0.282</u>	<u>0.283</u>
4	Total Nongeneral Fund	\$328.232	<del>\$336.370</del>	<del>\$337.724</del>	<del>\$339.627</del>
5			<u>\$333.184</u>	<u>\$335.814</u>	<u>\$340.303</u>
6				<u>\$336.291</u>	<u>\$341.306</u>

7 SELECTED ASSUMPTIONS FOR NONGENERAL FUND REVENUE ESTIMATES

8 Revenue and Transportation Interim Committee

9	Year Assumption	2004	2005	2006	2007
10	Gasoline Tax				
11	FY Taxable Gallons of Gasoline (Millions)	507.837	510.042	512.256	514.480
12	FY Taxable Gallons of Gasoline--				
13	Storage Tank Cleanup (Millions)	507.767	509.971	512.185	514.409
14	FY Refunds (Millions)	(\$2.830)	(\$2.842)	(\$2.854)	(\$2.867)
15	FY Tribal Distribution (Millions)	(\$3.761)	(\$3.740)	(\$3.736)	(\$3.738)
16	FY Alcohol Incentive (Millions)	\$0.000	\$0.000	(\$3.329)	(\$6.000)
17	Diesel Tax				
18	FY Taxable Gallons of Diesel (Millions)	237.218	247.121	257.438	268.185
19	FY Taxable Gallons of Diesel--				
20	Storage Tank Cleanup (Millions)	324.090	337.620	351.715	366.398
21	FY Refunds (Millions)	(\$4.419)	(\$4.604)	(\$4.796)	(\$4.966)

1	GVW Fees				
2	FY GVW Fees (Millions)	\$8.586	\$8.708	\$8.832	\$8.957
3	FY Form 3 GVW Fees (Millions)	\$1.007	\$1.025	\$1.016	\$1.021
4	FY Trip Permit Fees (Millions)	\$0.445	\$0.445	\$0.445	\$0.445
5	FY County GVW Fees (Millions)	\$9.398	\$9.531	\$9.667	\$9.804
6	FY Overweight Trip Permit Fees (Millions)	\$1.903	\$1.975	\$2.064	\$2.194
7	FY Special Permit Fees (Millions)	\$0.978	\$0.994	\$1.013	\$1.028
8	FY Temporary Fuel Permits (Millions)	\$0.108	\$0.110	\$0.110	\$0.110
9	FY Other Fees (Millions)	\$3.850	\$3.850	\$3.850	\$3.850
10	Other 6-Mill Levy Indicators (See General Fund Property				
11	Tax Assumptions for Other Detail)				
12	FY Taxable Value (Millions)	\$1,736.863	\$1,784.018	\$1,830.438	\$1,879.698
13	FY Nonlevy Revenue (Millions)	\$0.000	\$0.000	\$0.000	\$0.000
14	FY 6-Mill Adjustments (Millions)	\$0.000	\$0.000	\$0.000	\$0.000
15		- END -			